



Commonwealth of Massachusetts

## **Division of Energy Resources**

### **Alternative Energy Property Program**

### **Grants for Pellet Fueled Heating Systems**



### **Biomass Pellet Heat Systems**

*Funding to cities, towns, regional schools, water, and waste water districts to install biomass pellet space heating systems.*

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## **MASSACHUSETTS DIVISION OF ENERGY RESOURCES**

### **ALTERNATIVE ENERGY PROPERTY PROGRAM**

#### **PROGRAM ANNOUNCEMENT**

##### **Grants for Pellet Fueled Heating Systems**

The 2007 round of the Alternative Energy Property Program (AEPP) will provide funding to cities, towns, regional schools, water, and waste water districts to install space heating systems which are fueled with biomass pellets. For purposes of this announcement the term 'Biomass Pellet' includes pellets made from compacted sawdust, wood chips, bark, and agricultural crop waste. Pellets made from non-renewable resources (waste paper, or petroleum/coal based products) are ineligible. Eligible applicants are invited to apply by obtaining an application package from the Massachusetts Division of Energy Resources (DOER). A maximum of \$525,000 is available for feasibility studies, design and installation.

##### **Eligible Sites**

A building must be owned and operated by a city, town, regional school, water or waste water district. There must be no plans to close or dispose of the site within the next ten years. In addition, some installations may be deemed ineligible if the existing heating plant is less than ten years old, is still within the warranty period, if the fuel does not meet the definition of renewable, or the proposed system's output is not appropriately scaled to the building heating load.

##### **The Application Package**

In order to be considered for an AEPP grant the applicant must complete all forms contained in the DOER application package. This package is available from DOER at the address listed at the end of this announcement. The package contains the program application as well as an assessment form to gather information such as: current energy output, rated capacity, make model, type, age and condition of existing equipment, and the estimated cost of design and installation, and warranty. Cost estimates must be compiled by the systems manufacturer and include equipment and labor. This cost will be the basis for the grant award.

Upon receipt of an application, the Division of Energy Resources will review and rank it in accordance with criteria that will be made available to the general public. Scoring will be based on the cost effectiveness of the proposal, energy output, the applicant's ability to maintain the equipment, and fossil fuel displacement.

##### **Eligible Projects**

Eligible (installation) projects must have an expected life of at least ten years, have an individual designated to oversee the repair of the system and report to DOER on the actual energy output for two years after the completion of the installation. Applicants must have a project manager designated to oversee the project.

**Funding Availability for Projects**

Up to \$525,000 of total grant funding will be available.

AEPP provides grant funding for renewable energy projects according to the following guidelines: The grantee is responsible for repaying 30% of the funds granted within 3 months of the completed installation.

Grant funding must not supplant other available funding such as utility incentive programs.

**The Maximum Grant**

The maximum AEPP grant for system installations is \$50,000.

**For More Information or an Application Contact:**

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